



In Attendance Zina Grau, Bill Lenssen, Tom LoBasso, Denis Shelley, David Sacks, Bobby Thigpen

Absent Rufus Johnson

Staff Attendees Tim Norton, Martin Cass

**I. Call to Order**

Denis Shelley called the meeting to order at 3:06 p.m.

**II. Public Participation**

None Requested

**III. For Approval**

Minutes from March 3, 2021 meeting

**Bobby Thigpen moved for approval, Zina Grau seconded the motion and the motion carried unanimously.**

**IV. Financial Update**

Martin Cass, DSC CFO/Vice President, presented the 2<sup>nd</sup> quarter financial statements, which is a part of these minutes as a separate document. Mr. Cass also presented the FY2020 audit, which was recently completed and presented for discussion via conference call by James Halleran, partner with James Moore Co. In accordance with policy, the reviewers included Board Chair W. Denis Shelley, DSC Board of Trustees Chair Randall B. Howard, President Thomas LoBasso, Executive Director Timothy A. Norton, and Mr. Cass. The FY2020 audit is a clean opinion from James Moore Co. The Executive/Investment Committee affirmed the work of all staff related to the finances of the Foundation.

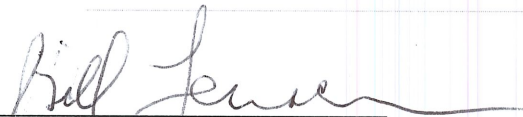
**IV. Investment Update**

Khalid Yasin provided an update on the performance of the investment portfolio managed by PFM and the economy, and the economic outlook from the perspective of PFM. In the 2<sup>nd</sup> quarter of 2022, the portfolio gained 5.64%, outperforming its policy benchmark of 5.09% by .55%. In dollar terms, \$1.7 million was gained over the quarter, \$6.8 million over the past 12 months, and \$17.9 million since inception. As of close of business on July 27, the Foundation’s investment portfolio totals approximately \$33.4 million.

Regarding the economy, Yasin reported on inflation in specific sectors; those which rely on semiconductors being particularly hard hit with supply chain issues affecting business. Concerns about inflation and valuations continue to be primary factors monitored by PFM investment professionals. Full report of the 2<sup>nd</sup> quarter is a part of these minutes as a separate document.

Mr. Yasin also notified of a change in ownership of PFM, which is becoming separately held as a part of U.S. Bancorp and communicated that the leadership, investment managers, and more than 97% of the staff remains in place. With this change comes an updated contract letter acknowledging the new ownership, a contract providing for a 30-day out notice at any time. As this change requires Board approval for Chair Shelley to sign a letter acknowledging this change, a motion was called for supporting the continuance of PFM Investments, to become known as “U.S. Bancorp Investments,” as the investment managers for the Foundation’s portfolio of investments.

**Bobby Thigpen moved for approval, Bill Lenssen seconded the motion and the motion carried unanimously.**

  
 Bill Lenssen, Secretary

V. Gala Update


Mr. Norton presented a recommendation that longtime member of the Board of Directors of the Foundation, and former member of the Board of Trustees, William G. Lenssen, be named honoree of the 2021 Annual Gala. **Bobby Thigpen moved for approval, David Sacks seconded the motion and the motion carried unanimously.**

VI. Board Comments

None

VII. Adjournment

Mr. Shelley adjourned the meeting at 3:55 p.m.

  
Bill Lenssen, Secretary